## SOUTH CAROLINA ELECTRIC & GAS COMPANY ENERGY CONSERVATION PRESENTATION

#### **Prepared for:**

THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

Electric and Natural Gas Conservation and Efficiency Workshop NDI-2007-EG August 16, 2007



#### **Energy Conservation Milestones**

- 1971 Cost of Power Stops Decreasing
- 1977 SCPSC orders load control study and annual LM reports
- 1978 SCE&G forms LM Committee and offers interruptible rate
- 1980 Home Energy Audits, TOU and Conservation Rates, Energy Centers Built (mid 1980s) and more
- 1987 SCPSC opens IRP Docket No. 87-223-E. Genesis of today's demand side management programs.
- 1989 SCE&G files first IRP.
- 2005 EPAct 2005. Renewed National Interest.



#### Demand Side Management

#### **Customer Information Programs:**

Annual Energy Campaigns
Web-Based Information and Services

#### **Energy Conservation:**

Value Visit Program
Rate 6 Energy Saver Rate
Seasonal Rates

#### Load Management Programs:

Retail Standby Generator Program
Wholesale Standby Generator Program
Interruptible Load Program
Real Time Pricing Rate
Time Of Use Rates



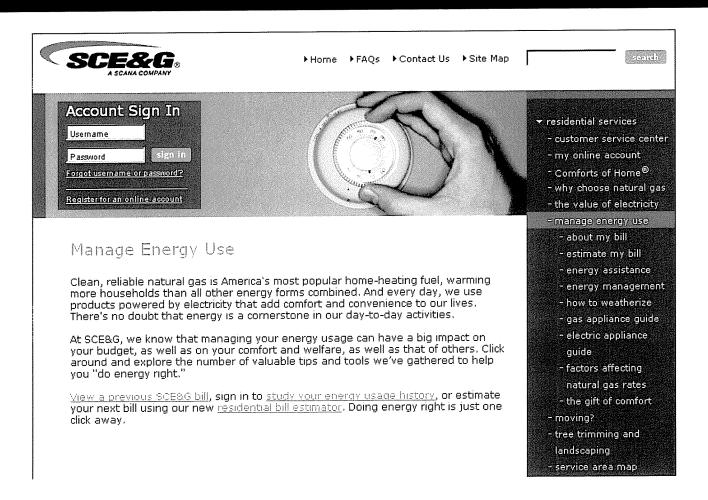
#### Demand Side Management

#### Annual Energy Campaigns

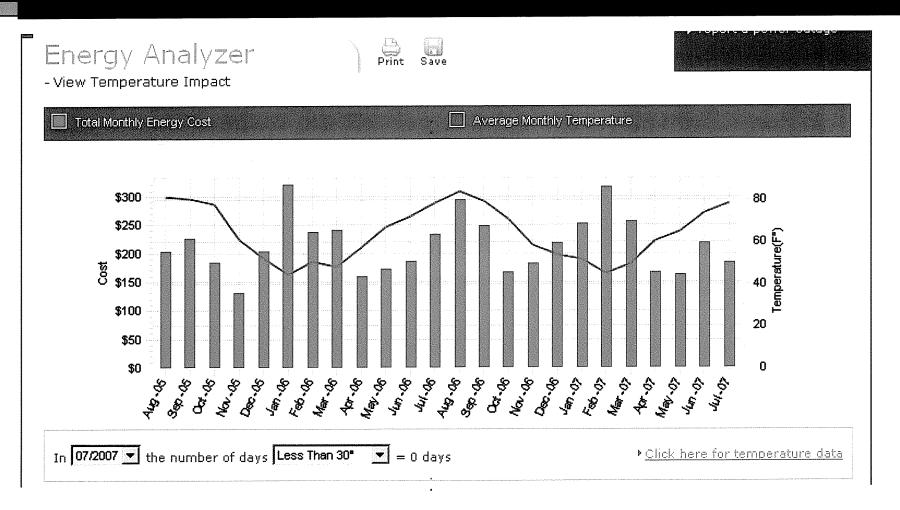
- Billboards
- Radio
- Television
- Weatherline
- "Energy Wise" Newsletter
- Bill Inserts
- Brochures/Printed Materials
- On-hold Messaging
- Small Commercial Direct Mail

- New Releases
- Featured News Guests
- Project Cool Breeze
- SCE&G's Web Site
- Weatherization Project
- Energy Tips Video
- Energy Awareness Month
- Lowe's Partnership
- Radio Remotes

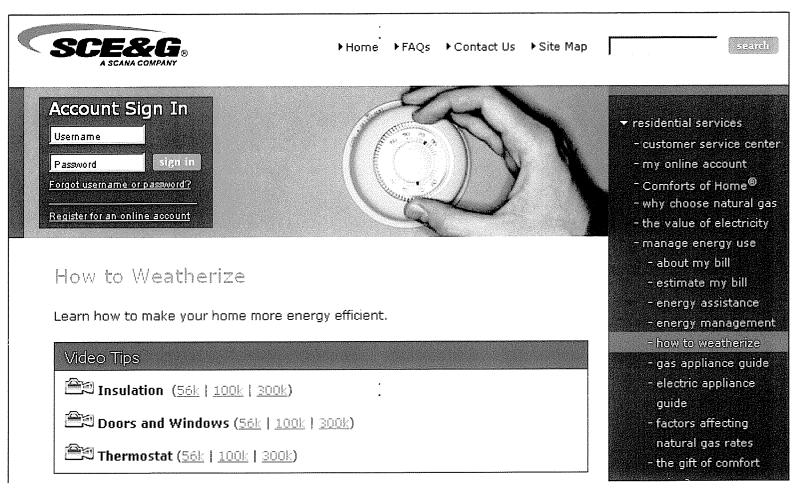


















#### Demand Side Management

#### Load Management

• Interruptible Load 203

• Standby Generators 25 Total 228 MWs



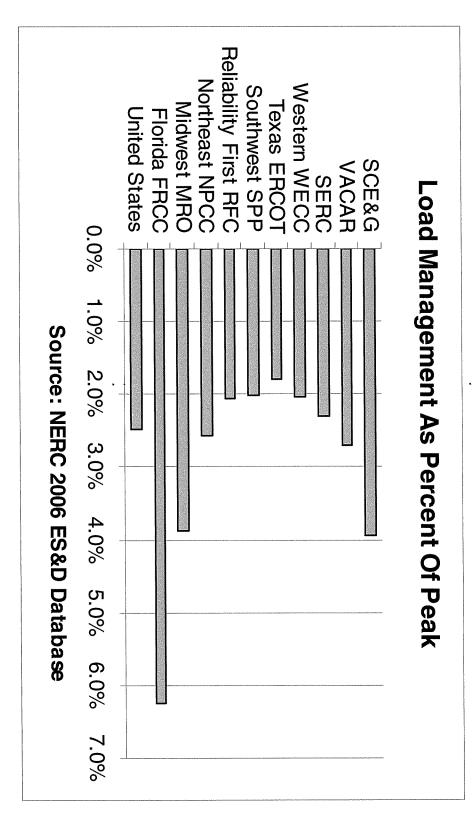
#### Demand Side Management

#### Measures of Success

- 173,923 Customers Registered For WEB access
- Over 50,000 Customers on Conservation Rate
- 20% of Commercial Sales on TOU or RTP Rates

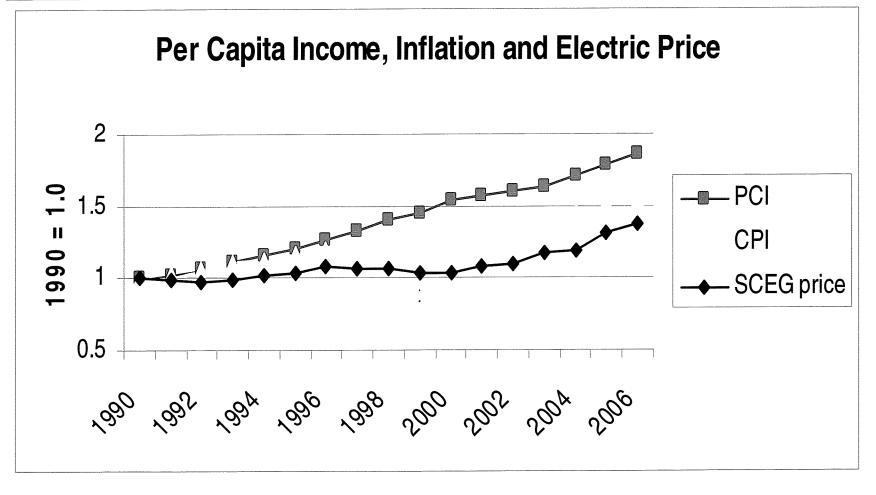


# Measures of Success





#### The Cost of Energy





## SCE&G: RECENTIBESICIENCY AND CONSERVATION ACTIVITY

## **Overall Goals**

- Value-added demand-side initiatives
- Learn from the past, learn from others
- Conduct studies to properly focus our conservation investments
- A balanced, measured approach
- Consider all reasonable options, invest in most promising programs
- Structure programs to meet our customers needs and loadshape requirements



## SCE&G: RECENT EFFICIENCY AND CONSERVATION ACTIVITY

- SCE&G's "Focused Approach":
  - Learn from others review national programs to identify new, unique, and most promising conservation programs
  - Customer surveys to identify customer desires, needs, and "acceptability"
  - Use pilot programs or "scaleable" programs



## SCE&G: RECENT EFFICIENCY AND CONSERVATION ACTIVITY

- Customer Focused Surveys
  - SCE&G is conducting surveys to gauge customer interest in energy conservation programs to ensure that we <u>invest in programs our customers will</u> use!
  - Value-added initiatives are the ultimate goal!



## SCE&G: RECENT EFFICIENCY AND CONSERVATION ACTIVITY

#### **Customer Focused Surveys - Some Results to Date**

	Time of Use Rates	Green Power (\$4/mo)	Home Energy Audit (\$25)	Online Energy Audit (Free)	Weatheriza- tion Kit (Free)
Very Unlikely	19%	15%	28%	24%	17%
Somewhat likely	15%	14%	21%	11%	10%
Don't know/No opinion	13%	23%	11%	3%	8%
Somewhat Likely	30%	30% :	24%	28%	30%
Very Likely	24%	19%	16%	27%	36%



#### SCE&G: RECENT EFFICIENCY AND CONSERVATION ACTIVITY

- Customer Focused Surveys Results to Date
  - The groups most interested in almost every program:
    - < 45 Years Old</li>
    - Middle to Upper Income
    - Kids in household: especially teenagers
  - A concern how do we reach older and lower income customers and why aren't they as interested in participating in conservation programs?



## SCE&G: RECENT EFFICIENCY AND CONSERVATION ACTIVITY

#### Green Power

- Mission is to promote renewable energy
- Organization is called Palmetto Clean Energy ("PaCE")
- Program is expected to be ready for customer participation in late 2007 or early 2008
- PaCE will offer a block or unit of green power to the citizens of South Carolina on a monthly basis for a certain price.
- The program is completely voluntary



## SCE&G: RECENT EFFICIENCY AND CONSERVATION ACTIVITY

#### Hybrid Vehicle

- Assess the opportunity for plug-in hybrid electric vehicles (PHEV) to reduce fuel costs, protect the environment, and reduce our nation's dependence on petroleum
- -Foster public awareness of PHEV benefits



#### EXPECTED IMPACT ON CONSERVATION ACTIVITIES FROM THE ENERGY POLICY ACT 2005

- Revised energy efficiency standards for Federal buildings and low income and public housing (Section 125)
- Updated Energy Star appliance standards (Section 131)
- Add/update other product efficiency standards (Section 135)
- Renewable energy development (Section 202)
- Electric Reliability Standards (Section 215)

(Continued . . .)



## EXPECTED IMPACT ON CONSERVATION ACTIVITIES FROM THE ENERGY POLICY ACT 2005

- Electric Transmission Siting Initiatives (Section 216)
- Hybrid vehicles research and promotion (Section 711, 721)
- Net Metering and Smart Metering (Section 1251, 1252)
- Support for clean coal and nuclear energy (Title IV and VI)



## EXPECTED IMPACT ON CONSERVATION ACTIVITIES FROM THE ENERGY POLICY ACT 2005

- Tax Credits and Other Incentives for:
  - Automobiles hybrids
  - Home improvements windows, doors, HVAC, photolvoltaics, insulation
  - Business purchase of hybrids, energy efficient buildings
  - Biodiesel & alternate fuel credits for filling stations and agri-biodiesel producers
  - Energy efficient buildings
  - Nuclear Power



### ENERGY CONSERVATION: FORESEEABLE ISSUES

- Program approval procedures
- Program evaluation procedures
- Cost Recovery issues
  - Timely cost recovery
  - Incentives for efficiency investments and results
  - Recovery of "lost revenues"

